

December 19, 1986

TO: File

FROM: Pamela Grubaugh-Littig, Reclamation Engineer *pgl*

RE: Updated Reclamation Costs and Updated Map, St. George Mining Corporation, Apex Mine, ACT/053/004, Washington County, Utah

The updated map of the disturbances at the Apex Mine (received November 3, 1986) was reviewed. This map indicated the recent disturbances at the mine site including the crushing and screening plant, the retaining walls and the equipment for the backfill system.

The bond should be updated to reflect the reclamation for these disturbances. These changes would include:

4 hrs. x \$308.20/x hr. .994 (index) = \$ 1,225.40
(4 hrs. for concrete removal)

8 hrs. x \$210.20/x hr. .994 (index)= \$ 1,671.50
(8 hrs. for removal of crushing and screening plant and backfill system. Loaded and removed to St. George.)

The amount of \$2,897 should be added to \$50,936, which equals \$53,833 (1984 dollars).

1984 - \$53,833	(escalated @ 0.92%)*
1985 - \$54,328	(escalated @ 2.90%)*
1986 - \$55,904	(escalate @ 1.62%)**
1987 - \$56,809	(escalate @ 1.62%)
1988 - \$57,730	(escalate @ 1.62%)
1989 - \$58,665	(escalate @ 1.62%)
1990 - \$59,615	

* Actual escalation factors from the Means Historical Cost Index

** Predicted escalation factor - average of three preceding years.

Page 2
ACT/053/004
December 1986

It is recommended that St. George Mining Corporation be requested to submit \$56,809 (1987 dollars) for the Apex Mine. Alternately, the other amounts shown in the list above could be requested, e.g., \$59,615 (1990 dollars).

Additionally, the permit area map (dated 8-24-84) (attached) indicates there are disturbances outside the permit boundary. It is recommended that the permit area map be revised to include all of the disturbances associated with the mine.

A site visit to verify the disturbances, the extent of the leach field, and any other problems is also recommended. This could be done before the bond update letter is sent.

djh
cc: J. Whitehead
9075R/26

